

sample (SCA) or (HMO)									
ACTUARIAL JUSTIFICATION OF BENEFIT DIFFERENTIALS									
		IN-	OUT-OF-	IN-	OUT-OF-	IN-	OUT-OF-	IN-	OUT-OF-
		NETWORK	NETWORK	NETWORK	NETWORK	NETWORK	NETWORK	NETWORK	NETWORK
IN-NETWORK BENEFITS (IN)									
Hospital Copay/Day (Up to 5 days)		\$0		\$0		\$50		\$25	
Doctor's Office Visit Copay		\$5		\$5		\$15		\$10	
OUT-OF-NETWORK BENEFITS (OON)									
Coinsurance			80%		80%		70%		70%
Deductible			\$200		\$300		\$500		\$300
Out-of-Pocket Limit			\$1,000		\$1,500		\$2,500		\$2,500
(1) Starting Claim Cost									
(per member per month)		163.59	163.59	163.59	163.59	163.59	163.59	163.59	163.59
(2) Adjustment for Hospital Copay		0.00		0.00		0.89		0.44	
(3) Adjustment for Doctor Copay		1.21		1.21		3.64		2.43	
(4) Adjusted Claim Cost		162.38	163.59	162.38	163.59	159.06	163.59	160.72	163.59
(5) Value of Deductible			10.86		15.06		22.07		15.06
x (6) Impact of 3x Family Deductible			0.96		0.97		0.98		0.97
(7) Adjusted Value of Deductible			10.43		14.61		21.63		14.61
(8) Adjusted Claim Cost = (4) -(7)		162.38	153.16	162.38	148.98	159.06	141.96	160.72	148.98
x (9) Coinsurance		100%	80%	100%	80%	100%	70%	100%	70%
(10) Adjusted Claim Cost		162.38	122.53	162.38	119.19	159.06	99.37	160.72	104.29
+ (11) Impact of Out-of- Pocket Limit		0.00	16.76	0.00	13.91	0.00	19.63	0.00	19.87
= (12) Adjusted Claim Cost		162.38	139.29	162.38	133.10	159.06	119.00	160.72	124.16
(13) Provider Discount		20%	0%	20%	0%	20%	0%	20%	0%
(14) Net claim Cost		129.90	139.29	129.90	133.10	127.25	119.00	128.58	124.16
(Line 12*100%-Line13)									
(15) Benefit Ratio (line 14/line 1)		0.794	0.851	0.794	0.814	0.778	0.727	0.786	0.759
(16) Ben. Diff. (line 15 IN - line 15 OON) (as a %)		-5.7%			-2.0%		5.1%		2.7%

ACTUARIAL JUSTIFICATION OF BENEFIT DIFFERENTIALS						(SCA) or (HMO)		
			IN-NETWORK	OUT-OF-NETWORK	IN-NETWORK	OUT-OF-NETWORK	IN-NETWORK	OUT-OF-NETWORK
<b>IN-NETWORK BENEFITS (IN)</b>								
	Hospital Copay/Day							
	(Up to 5 days)							
	Doctor's Office Visit Copay							
<b>OUT-OF-NETWORK BENEFITS (OON)</b>								
	Coinsurance							
	Deductible							
	Out-of-Pocket Limit							
(1)	Starting Claim Cost							
	(per member per month)							
- (2)	Adjustment for Hospital Copay							
- (3)	Adjustment for Doctor Copay							
= (4)	Adjusted Claim Cost							
(5)	Value of Deductible							
x (6)	Impact of 3x Family Deductible							
= (7)	Adjusted Value of Deductible							
(8)	Adjusted Claim Cost = (4) - (7)							
x (9)	Coinsurance							
= (10)	Adjusted Claim Cost							
+ (11)	Impact of Out-of-Pocket Limit							
= (12)	Adjusted Claim Cost							
(13)	Provider Discount							
(14)	Net claim Cost							
	(line 12*100%-Line13)							
(15)	Benefit Ratio (line 14/line 1)							
(16)	Benefit Differential (line 15 IN - line 15 OON)							
	(as a %)							